



September 9, 2004

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Ambassador Niagara Signature Bridge Group
Main Court, 438 Main Street
Lobby Level, Suite 200
Buffalo, New York
14202

Attention: James B. Kane, Regional Director

-and-

Ambassador Bridge
P.O. Box 32666
Detroit, Michigan
48232

Attention: Dan Stamper, President

Dear Sirs:

Re: Ambassador Niagara Signature Bridge Project

We are the solicitors for the Buffalo and Fort Erie Public Bridge Authority which owns and operates the Peace Bridge connecting these cities.

We previously wrote to you by our letter dated May 22, 2003 advising you and your associates that the Bridge Authority holds an exclusive franchise in respect of vehicular bridges within six miles upstream and downstream from the location of the Peace Bridge and that no other bridge for like purpose may be constructed or located at any point nearer than six miles from the location of the Peace Bridge.

That letter constituted notice from our client that the Bridge Authority fully intends to protect its franchise and will take appropriate legal proceedings to restrain interference with its franchise rights, should that occur.

We understand that recently your companies filed a "Terms of Reference and Project Description" with the Canadian Environmental Assessment Agency and the Ontario Ministry of the Environment, which project description includes several alternative bridge crossings within six miles of the Peace Bridge and that indeed your preferred alternative is within six miles of the Peace Bridge.

Consistent with our previous correspondence, we advise that your companies ought to be refraining from taking steps that would lead to the establishment of a new bridge within six miles of the Peace Bridge, including the expenditure of funds by you for that purpose. Obviously, our client takes the position that any monies you have spent, are spending, or spend in future for such purposes cannot validly be claimed by you as expenses, investment or losses of any kind which would mitigate against a claim by our client for an injunction and/or damages. In short, the legal maxim *volenti non fit injuria* applies to this situation. We trust you will be governed accordingly.

Yours sincerely,

GOWLING LAFLEUR HENDERSON LLP

David Estrin
Certified Environmental Law Specialist

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